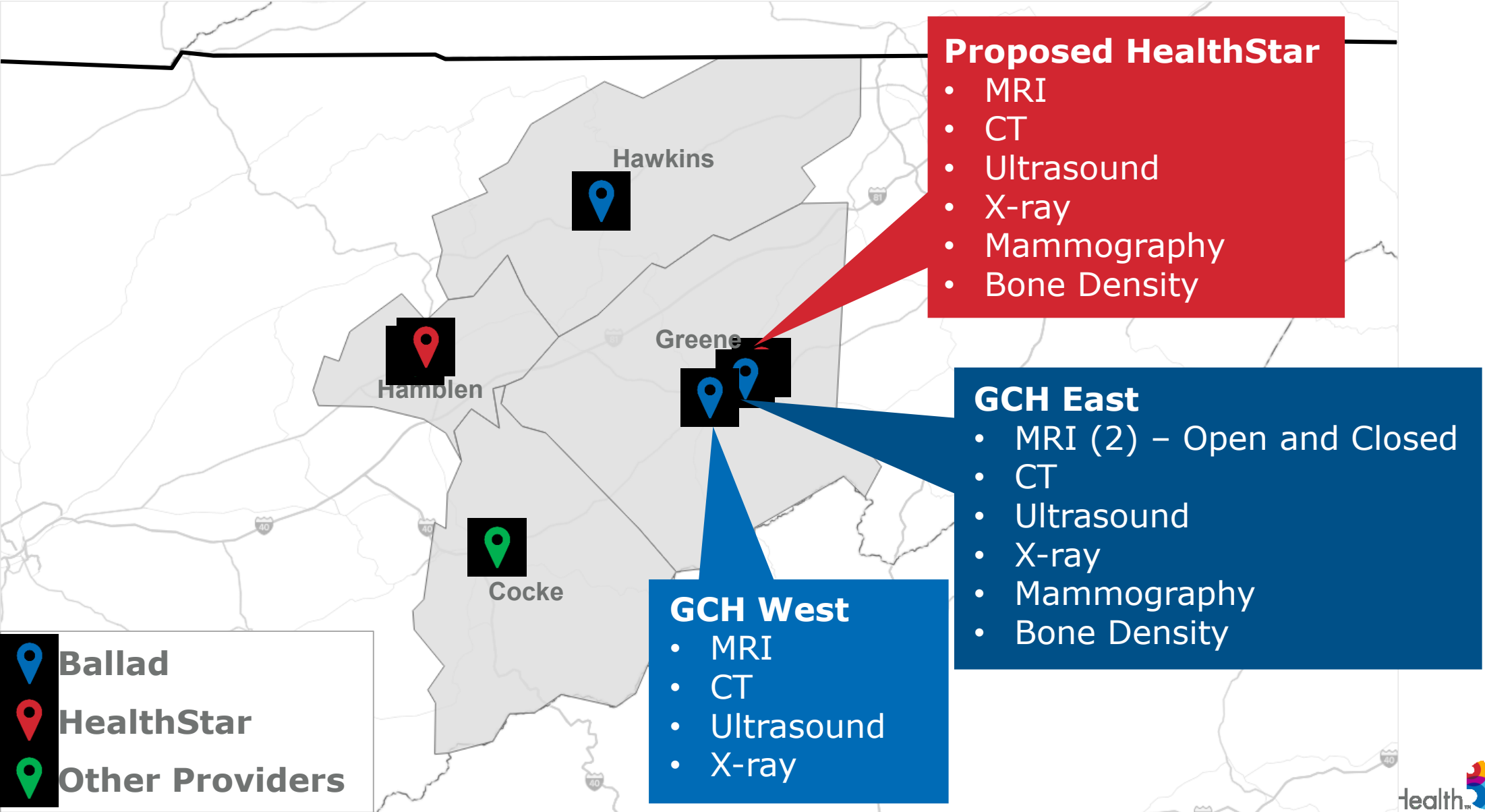


# Greeneville Community Hospital Opposition to HealthStar Imaging – CN1912-056

# MRI Locations in HealthStar Imaging Proposed Service Area



# Net Revenue Impact for Key Service Lines

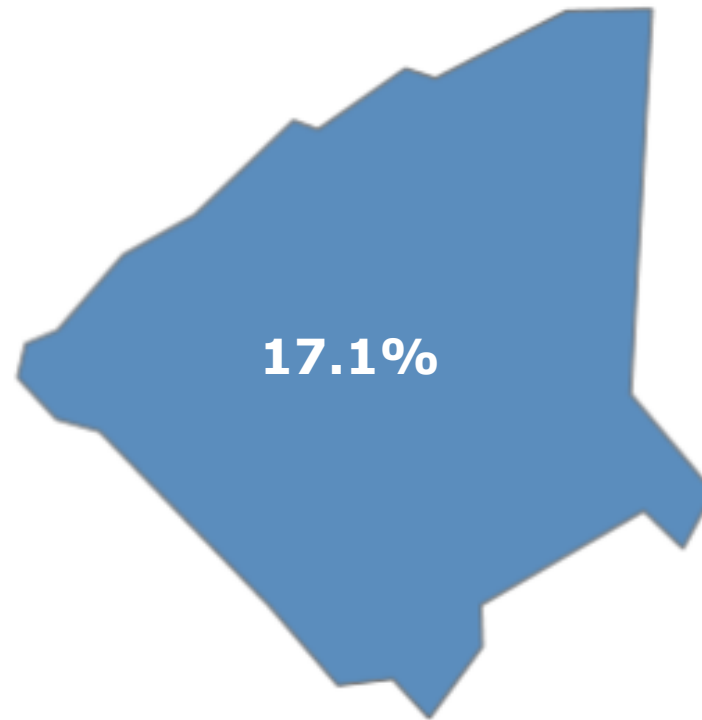
	April-May	
	% Diff	Two Month Revenue Impact
Discharges	-20%	(1,007,920)
OP Surgery	-39%	(600,496)
OP Emergency	-35%	(834,768)
OP Imaging	-39%	(1,232,985)
<b>Total</b>		<b>(\$3,676,169)</b>

As a result of covid-19 there has been a significant reduction in volumes in key service lines. The volume reductions that have occurred over the past two months have ranged between 20-40% below the prior four month average run-rate. Further, as a result of reduced volumes, the facility has produced significantly less revenue during this time period.

# Unemployment Rates for Greene County

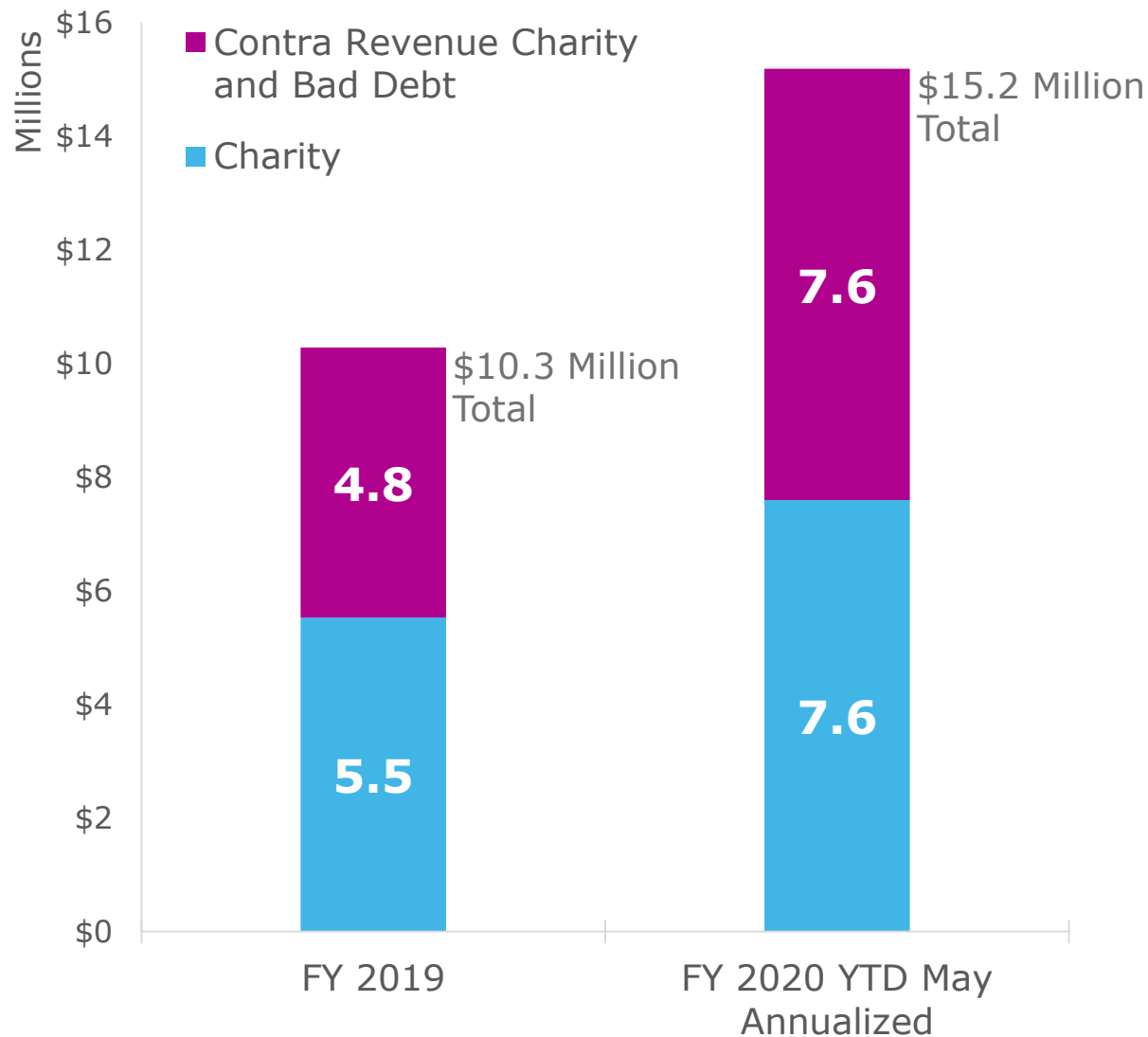
**Tennessee Unemployment Rate for April 2020 : 14.7%**

## **County Based Unemployment Rate for April 2020**



Unemployment rates have increased sharply over the past 60 days from a 4.3% to 17.1% in Greene County. The percentage point increase year-over-year has increased 13.4%. The Greene County unemployment rate is 2.4% higher than the state rate for the month of April.

# Charity Care and Bad Debt



This graph details the allowances for bad debt and charity care for FY19 and FY20 YTD May Annualized.

The annualized combined total for bad debt and charity for FY20 is expected to be \$15,184,217 which is **48%** greater than the prior year.

There is a year-over-year increase in the total self-pay payor mix of 0.71% which is a large portion of the additional bad debt and charity allowances.

# Greene County Consolidated Financial Performance

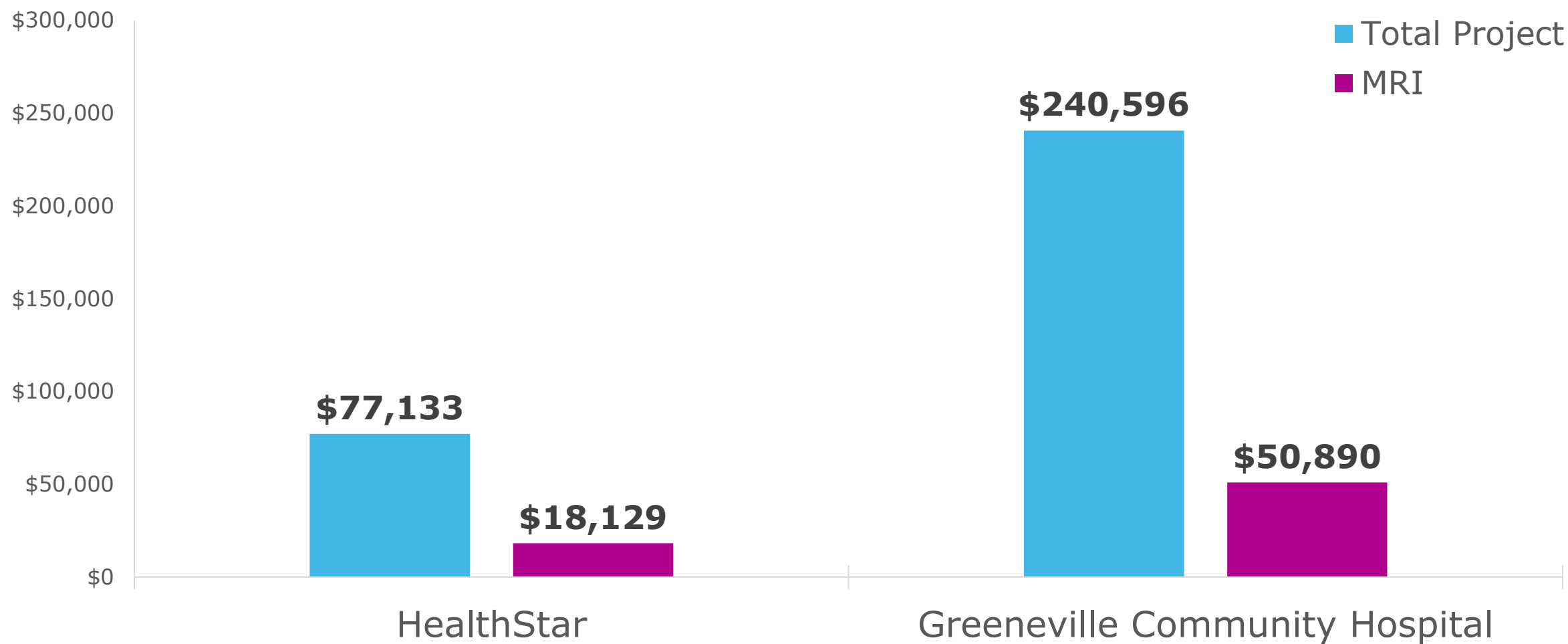
			Impact of COVID-19
	<b>FY 2019</b>	<b>FY 2020 Feb Annualized</b>	<b>FY 2020 May Annualized</b>
Total Operating Revenue	111,946,012	109,361,444	100,229,633
Total Operating Expenses	122,488,291	110,781,303	106,479,642
<b>Net Operating Income</b> <i>Before Support Allocation</i>	<b>(10,542,279)</b>	<b>(1,419,859)</b>	<b>(6,250,009)</b>

# Greene County Consolidated Financial Performance

			Impact of COVID-19
	FY 2019	FY 2020 Feb Annualized	FY 2020 May Annualized
Total Operating Revenue	111,946,012	109,361,444	100,229,633
Total Operating Expenses	122,488,291	110,781,303	106,479,642
Net Operating Income <i>Before Support Allocation</i>	(10,542,279)	(1,419,859)	(6,250,009)
Impact of \$2.9 Million Net Income Loss to HealthStar*		(4,319,859)	(9,150,009)

Note: Impact of Net Income Loss to HealthStar calculated assuming 75% of the net income projected in year 1 of the HealthStar project would come from imaging studies that would have otherwise been performed at Greeneville Community Hospital

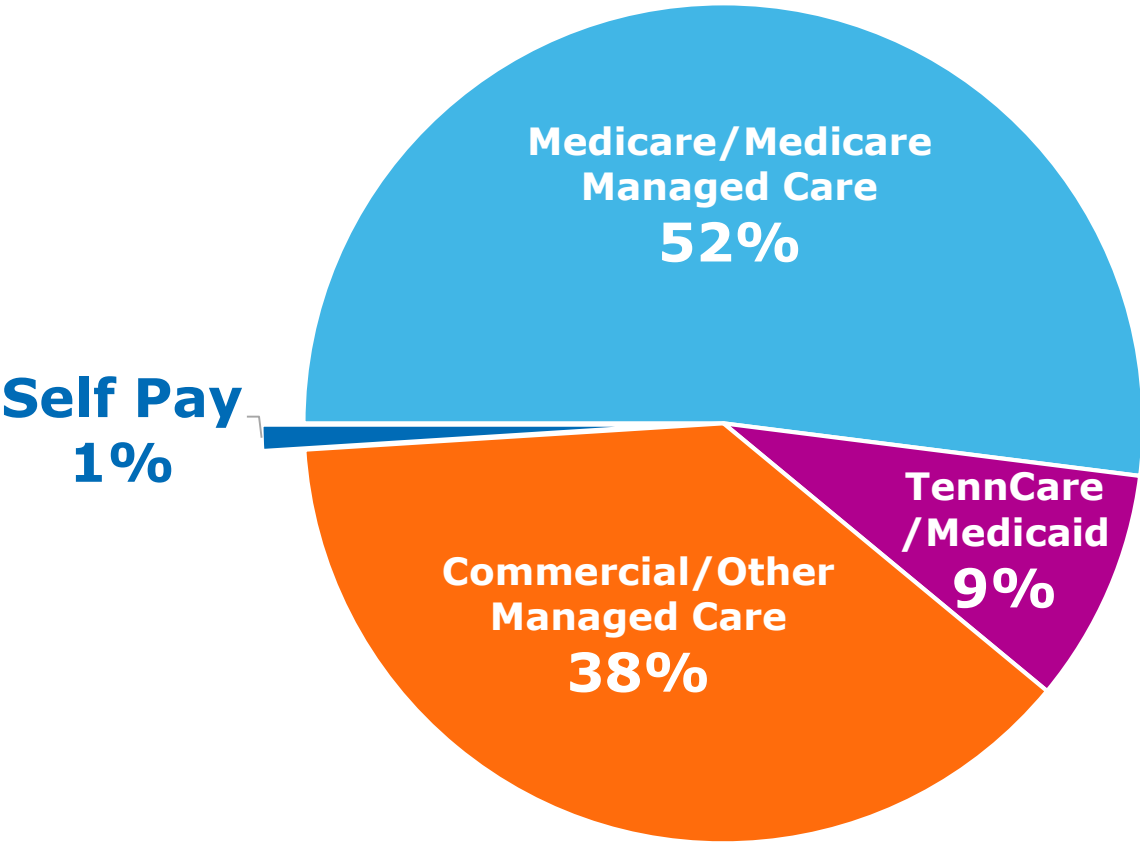
# Proposed Project Charity Care Comparison



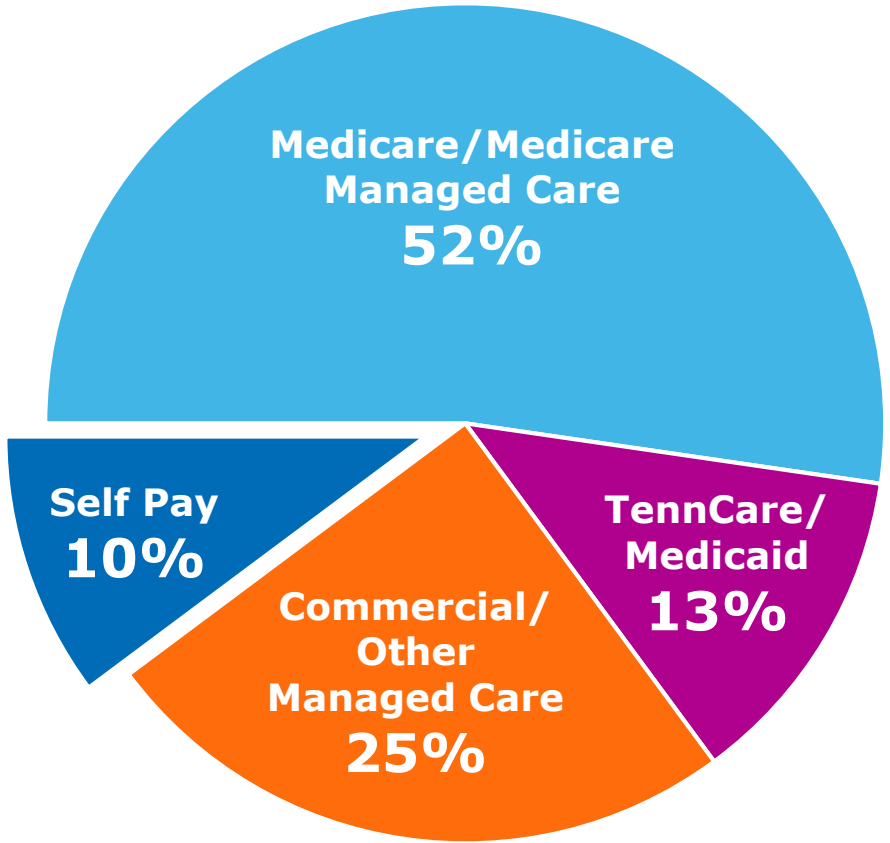


# Proposed Project Payor Mix Comparison

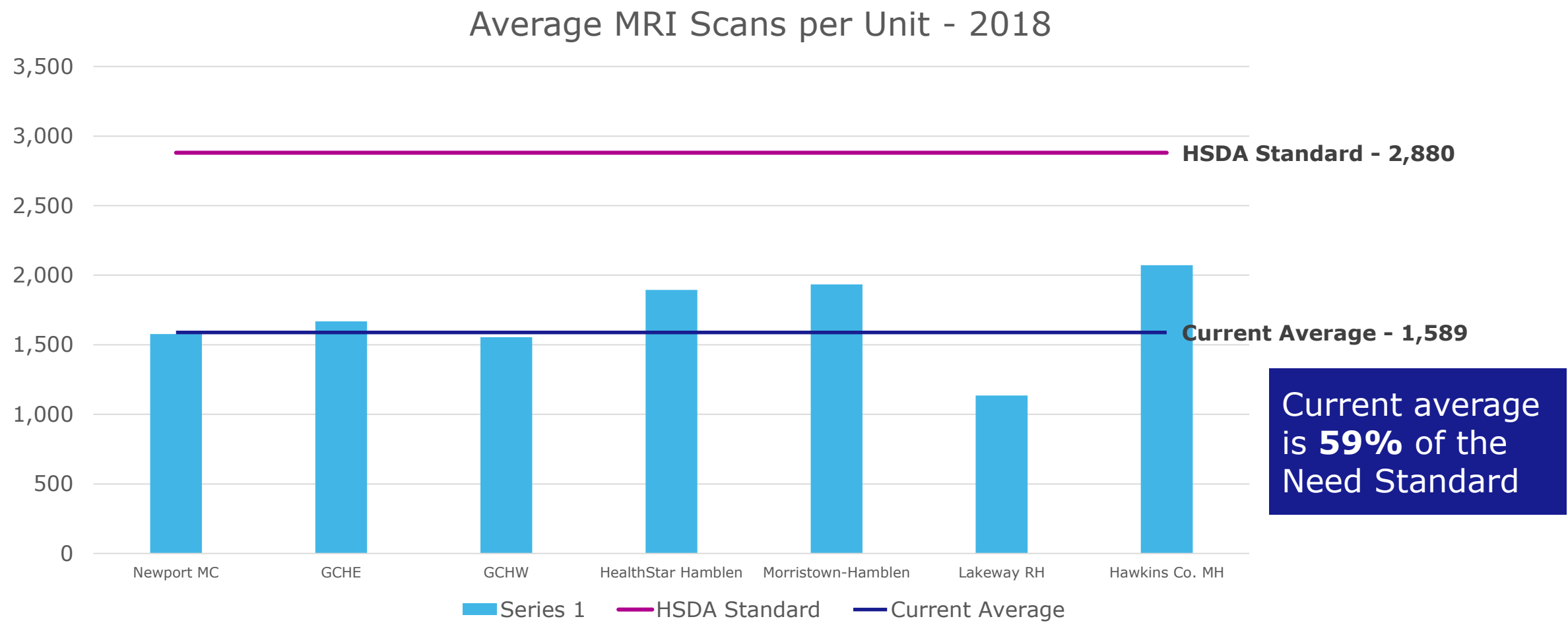
HealthStar



Greeneville Community Hospital



# Service Area MRI Utilization



Source: HSDA Medical Equipment Registry  
Note: Hawkins County Memorial Hospital average based off of service 2 days per week

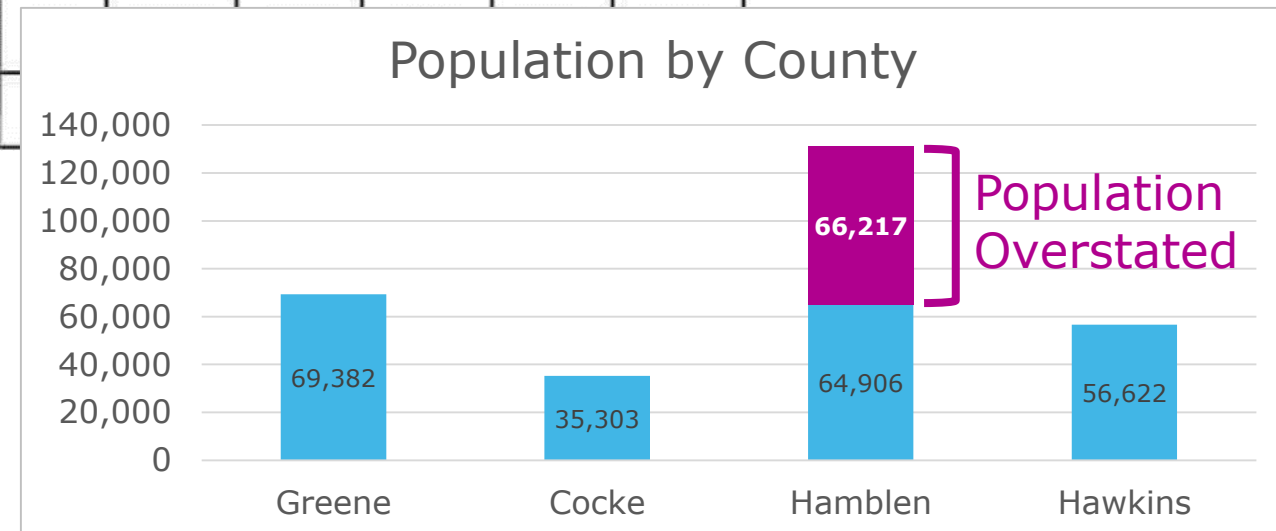
# Proposed Service Area Population

From page 22 of HealthStar CON Application:

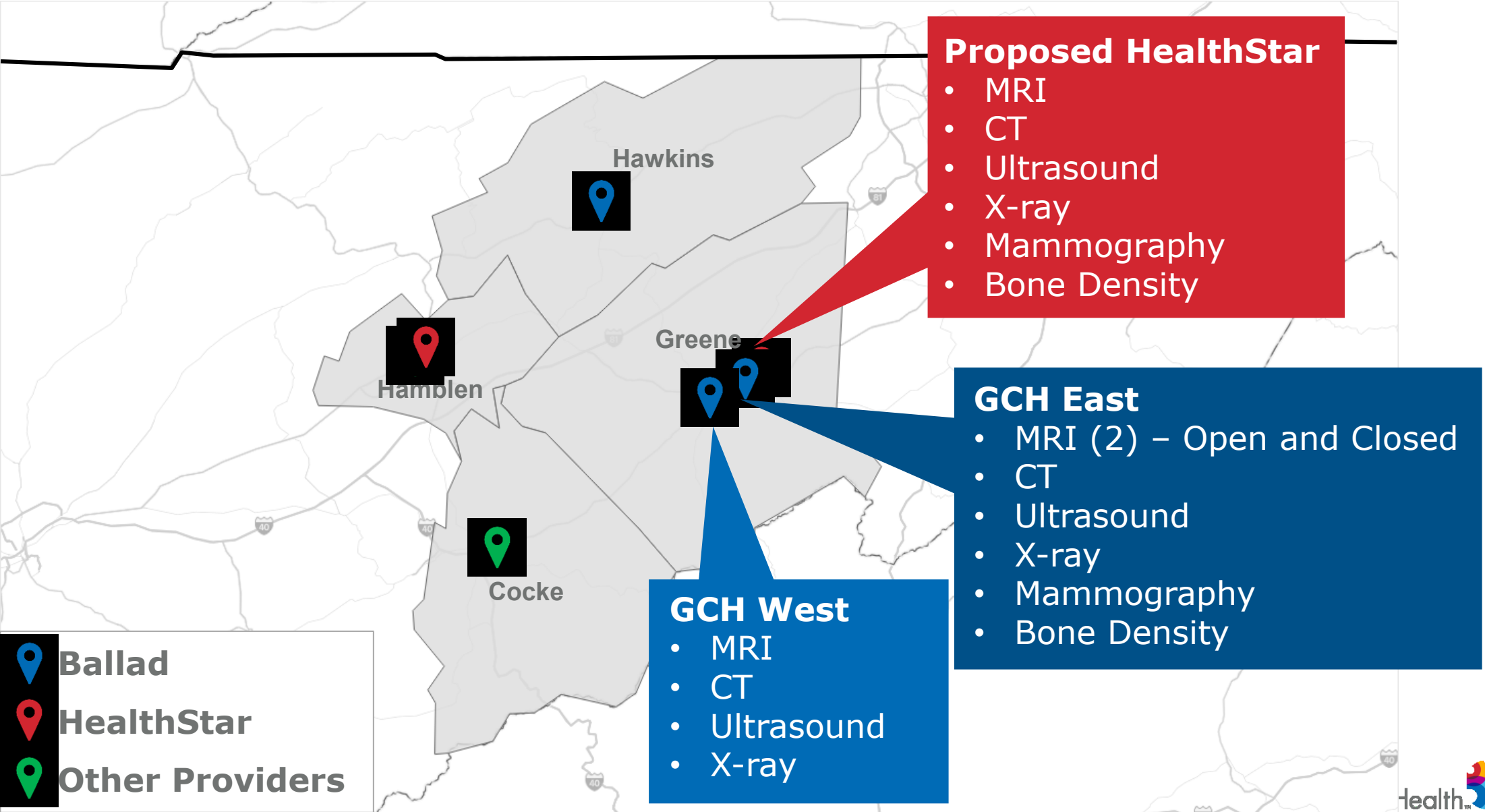
Demographic Variable/ Geographic Area	Department of Health/Health Statistics								Bureau of the Census				TennCare	
	Total Population-Current Year (2019)	Total Population-Projected Year (2023)	Total Population-% Change	*Target Population-Current Year	*Target Population-Project Year	*Target Population-% Change	Target Population Projected Year as % of Total	Median Age (2013-2017)	Median Household Income (2013-2017)	Person Below Poverty Level**	Person Below Poverty Level as % of Total (2013-2017)	TennCare Enrollees	TennCare Enrollees as % of Total	
Greene County	69,382	70,141	1.09%	56,096	57,043	1.69%	81%	44.3	\$38,266	11,934	17.2%	16,340	23.6%	
Cocke County	35,303	35,266	-0.10%	28,466	28,759	1.03%	82%	44.7	\$32,027	8,826	25.0%	11,294	32.0%	
Hamblen County	131,123	135,520	3.35%	105,210	108,946	3.55%	80%	39.8	\$44,180	21,635	16.5%	24,003	18.3%	
Hawkins County	56,622	56,452	-0.30%	45,688	46,088	0.88%	82%	44.2	\$38,728	10,928	19.3%	13,233	23.4%	
Primary Service Area Total	292,430	297,379	1.69%	235,460	240,836	2.28%	81%							
State of TN Total	6,826,985	7,045,475	3.20%	5,301,007	5,486,369	3.50%	78%							

Population by

140,000

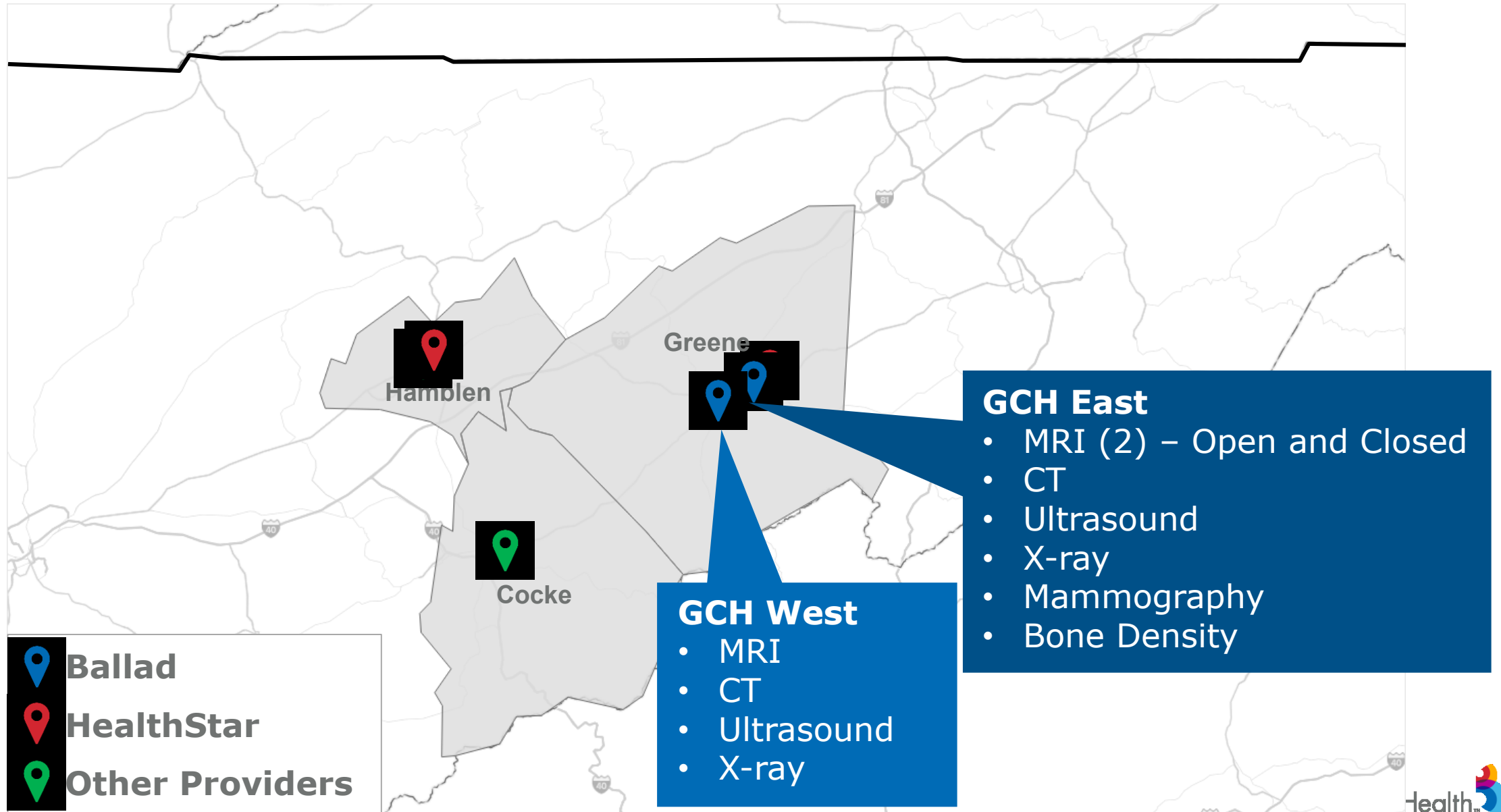


# MRI Locations in HealthStar Imaging Proposed Service Area

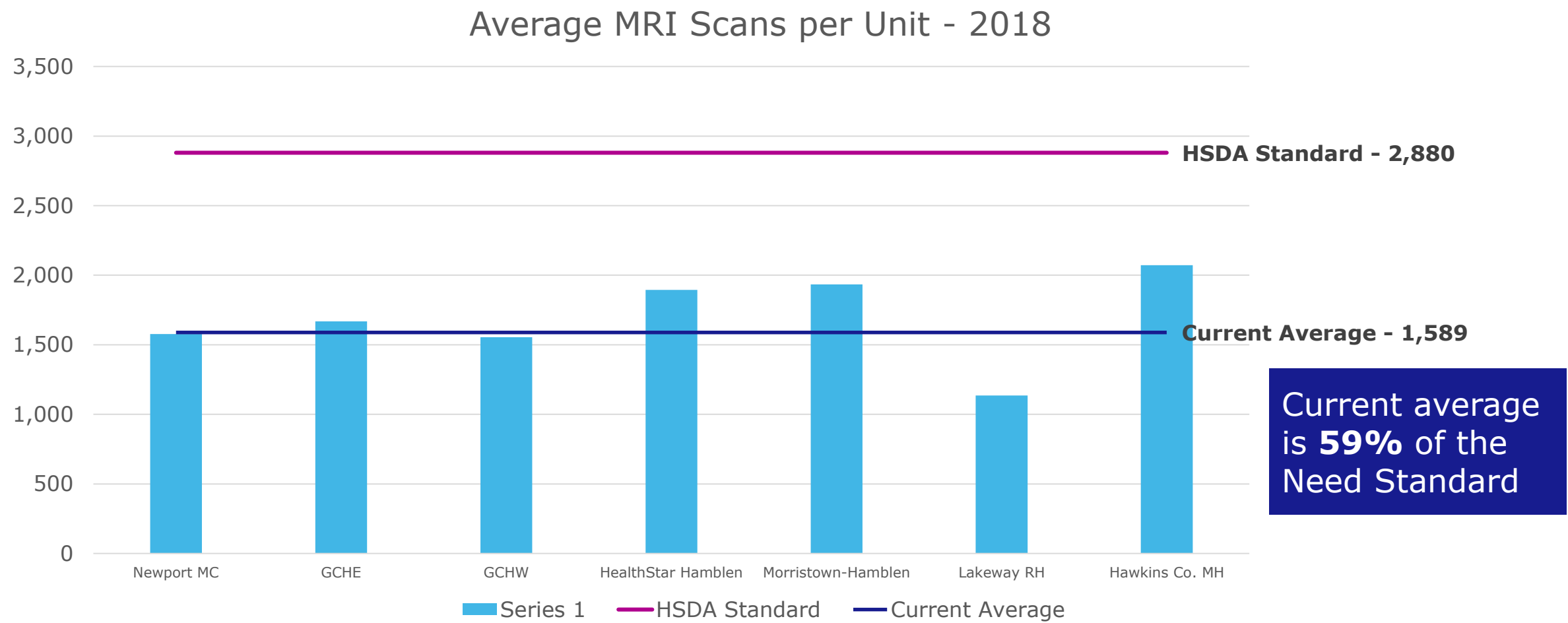


# Greeneville Community Hospital ODC CN2001-001

# MRI Locations in GCH ODC Proposed Service Area



# Service Area MRI Utilization



Source: HSDA Medical Equipment Registry  
Note: Hawkins County Memorial Hospital average based off of service 2 days per week

# Greene County Consolidated Financial Performance

			Impact of COVID-19
	FY 2019	FY 2020 Feb Annualized	FY 2020 May Annualized
Total Operating Revenue	111,946,012	109,361,444	100,229,633
Total Operating Expenses	122,488,291	110,781,303	106,479,642
Net Operating Income <i>Before Support Allocation</i>	(10,542,279)	(1,419,859)	(6,250,009)
Impact of \$2.9 Million Net Income Loss to HealthStar*		(4,319,859)	(9,150,009)

Note: Impact of Net Income Loss to HealthStar calculated assuming 75% of the net income projected in year 1 of the HealthStar project would come from imaging studies that would have otherwise been performed at Greeneville Community Hospital